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THE WASHINGTON POST BOOK WORLD 13 December 1981

Diplomatic Debacle: What 'in Iran?

MISSION TO IRAN. By William H. Sullivan. Norton. 296 pp. \$14.95.

INSIDE THE IRANIAN REVOLUTION. By John D. Stempel. Indiana University Press. 348 pp. \$17.50

ROOTS OF REVOLUTION: An Interpretive History of Modern Iran. By Nikki^{*}R. Keddie, with a section by Yann Richard. Yale University Press. 321 pp. Paperback, \$5.95

AMERICA HELD HOSTAGE. The Secret Negotiations. By Pierre Salinger. Doubleday. 359 pp. \$16.95

IRAN: The Untold Story. By Mohamed Heikal. Pantheon. U.S. publication forthcoming in February.

INSIDE AND OUT: Hostage to Iran, Hostage to Myself. By Richard Queen, with Patricia Hass. Putnam. 286 pp. \$13.95

NO HIDING PLACE: The New York Times Inside Report on the Hostage Crisis. By Robert D. McFadden, Joseph B. Treaster, Maurice Carroll et al. Times Books. 341 pp. \$15.50

By SCOTT ARMSTRONG

A S AMERICANS, we have learned to appreciate the delicate balances of a complicated world. We are often reminded that Europe, the Pacific, and the Persian Gulf are so frighteningly interdependent that no crisis can be dealt with in isolation. We understand, for example, how even a temporary disruption in the flow of oil to the United States or its allies can escalate rapidly into the most global, and the most final, of wars.

Intimidated by these new dimensions, we are ever more willing to cede to our government broad authority to conduct foreign policy. We accept that much of the information on which its deliberations are based, along with portions of the deliberations themselves, must remain secret for the time being.

Yet an Islamic revolution halfway around the world has uprooted our confidence in the government's ability to conduct foreign policy. Critics from both the right and the left have replaced Vietnam with Iran as the contemporary paradigm of American diplomatic arrogance, ignorance and impotence. The public has the right to demand more than a new president; it is time for an explanation of what went wrong in Iran.

We must halt the assembly line of conspiracy theories that continue to undermine our confidence in the way foreign policy is made. Did America covertly plot a military coup to prop up the shah before he fell? Did Jimmy Carter

entice him to leahim to this coun returning him to tempt to subvert the summer of 1! Baluchistan, Ku concern about the negotiating post months needless mission so seriou in the deaths of agents), its succe thousands of demath? And have provided secret a

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Surely we describe reasonance that our government has learned some basic lessons from our experience in Iran. Who lost Iran is no longer the most pressing question. First we need to answer lingering questions about the epistemology of American national security and foreign policy. How does America go about perceiving change in the world? Who gathers the raw data? With whom is it shared? How is it analyzed? Who suggests—and who decides—what actions should be taken?

Although these seven books on the Iranian revolution and hostage negotiations raise more questions than they put to rest, each touches at least obliquely on more fundamental points. While they do not agree on many of the whys and wherefores, the authors seem to agree that

 When the shah insisted on gorging his appetite for sophisticated U.S. military hardware in spite of a severe shortage in trained Iranian technicians, he had to increase drastically the number of Americans working in Iran. This in turn gave the Islamic leadership the palpable proof they needed to show their followers that the shah must be purged before Western values totally corrupted the society.

• By early 1977, nearly a year before Jimmy Carter toasted "the great leadership of the shah" that had made Iran "an island of stability," the shah and his regime were immensely unpopular with all segments of Iranian society except the most affluent reaches of the upper class and the military hierarchy.

• Although this was recognized by the lower and occasionally even the middle ranks of the U.S. foreign policy establishment, our ambassador, his ranking staff and official Washington all felt the shah's problems were manage-

Approved For Release 2006/01/12: CIA-RDP9 1-00901R00050015001500158 shah's regime was crumbling until well after the shah and virtually every other Iranian had begun to come to grips with it.

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NEW YORK TIMES 6 December 1981

Former Intelligence Profiting From O

By JEFF GERTH
Special to The New York Times

WASHINGTON, Dec. 5 — Many former American intelligence agents have entered into profitable business arrangements based on the extraordinary secret access to foreign officials and to sensitive information they gained in Government service.

One former agent, for example, now represents an American company in an African country whose president he helped install in a covert operation backed by the Central Intelligence Agency. Another obtained a \$330,000 consulting contract because of his close relationship with the king of an Arab country that stemmed from confidential Government negotiations involving the two.

These and other examples were turned up through a review of records and interviews with dozens of officials and businessmen here and abroad.

Some American diplomats say the former agents can be a hindrance to American foreign policy, and businessmen who compete with the former agents say they have an unfair advantage.

The activities of the former agents have been placed in the spotlight by disclosures that Edwin P. Wilson and Frank E. Terpil used their intelligence connections in elaborate and, in some cases, illegal foreign business deals. They have been indicted for illegally shipping explosives to Libya for use in training terrorists. Both men are fugitives living abroad.

Different Kind of Revolving Door

Intelligence officials and Government prosecutors say they know of no other former agents who have committed such offenses. But for the first time, the C.I.A. is addressing questions about conflict of interest and revolving-door employment in the intelligence business, issues usually associated with officials who trade on their experience in the military or Government regulatory agencies

The revolving door for covert intelligence agents is different from the one used by generals and lawyers, many officials say, because the former agents have had unusual and sometimes clandestine relationships with prograduators and access to sensitive intelligence information. Intelligence agents over

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nections with American intelligence agencies after they leave the Government.

Among the former agents who have used their foreign contacts and expertise for business purposes after leaving the Government are these:

Lawrence Raymond Devlin, the former C.I.A. station chief in Zaire. He covertly helped support President Mobutu Sese Seko's rise to power and then went to work in Zaire as the representative of an American metals company.

Raymond H. Close, the former C.I.A. station chief in Saudi Arabia. After offi-

Previous articles have reported on Edwin P. Wilson's recruitment of pilots and mechanics from the United States and Britain to fly and maintain planes for the Libyan Air Force, his attempt to sell restricted American computer technology to the Soviet Union, his amassing of a multimillion-dollar business empire, his use of Army Special Forces troops to train terrorists in Libya, evidence that investigators say links him to the attempted murder of a Libyan student in Colorado and charges that a company he controlled bribed a Federal official. The House Select Committee on Intelligence and the Justice Department are investigating.

cial retirement in 1977, he went to work there, and his numerous business interests include partnerships with former Saudi officials.

George C. Benson, the key defense intelligence attaché in Indonesia for nine years and the American with the closest ties to the Indonesian generals who took power in a 1965 coup. He is the Washington representative for Indonesia's stateowned oil company.

Vernon A. Walters, the former Deputy Director of Central Intelligence, now the Reagan Administration's ambassador at large. He earned \$300,000 for consulting on a potential arms sale to Morocco before joining the Administration.

Former and current State Department officials who said they were troubled by the foreign-policy implications of retired intelligence agents continu-

After leaving the Government in 1974, Mr. Devlin became head of the Zaire office of Leon Tempelsman & Son Inc., a New York-based metals and precious minerals company active in diamond and mineral exploration in Zaire. William A. Ullman, a vice president of the diamond company, said the hiring of Mr. Devlin, who had no experience in diamonds or metals, took into account his "excellent contacts" in Zaire.

Government officials provided a fuller picture of Mr. Devlin's contacts. They said that President Mobutu regarded Mr. Devlin, even long after he left the Government, as the representative of the United States. This gave Mr. Devlin better connections in Zaire than the United States ambassador there, the officials said.

Stephen B. Cohen, a Deputy Assistant Secretary of State in the Carter Administration who visited Zaire in 1979, said State Department officials there "believed that Devlin functioned as the true representative of the United States Government in President Mobutu's eyes."

Mr. Cohen added that it "was commonly believed by State Department officials in Zaire that Devlin had complete access to classified Government files long after he left the Government."

Mr. Stockwell said in his book that the C.I.A. continued to use Mr. Devlin in 1975, after he left the agency. One Congressional aide said that arrangement still existed.

Impact on American Policy

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